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ELECTRONIC DATA-PROCESSING PROGRAMME OF UNIDO

Report by the Director-General

Summary

In compliance with General Conference decision GC.4/Dec.18, paragraph (h), this report updates to 31 August 1994 information provided in documents IDB.12/7 and PBC.10/13.

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1. The General Conference in its decision GC.4/Dec.18, inter alia, took note of the updated report by the External Auditor on the electronic data-processing (EDP) system (GC.4/50), of the follow-up report by the Director-General on the recommendations of the External Auditor (GC.4/48 and Corr.1) and of the final report of Touche Ross Management Consultants (GC.4/CRP.1). In the same decision the General Conference requested the Director-General, inter alia, to report to subsequent sessions of the policy-making organs on the programme and cost of implementing the consultants' recommendations (GC.4/CRP.1) and those of the External Auditor (GC.4/50).

2. In compliance with that decision, information was provided to the Industrial Development Board at its twelfth session regarding the status of action taken with respect to those recommendations as of 31 December 1993. The present report provides an update as of 31 August 1994 on action taken with respect to the recommendations of Touche Ross Management Consultants (GC.4/CRP.1) and those of the External Auditor (GC.4/50 and IDB.10/4-PBC.8/9, paras. 153-180) and the recommendations that resulted from phase two of the Strategic Automation Plan for UNIDO in the report of Andersen Consulting.

3. Annex I provides those details based on the recommendations of the two consultants. Annex II contains the recommendations of the External Auditor and the most recent action taken to implement them. Those recommendations which have been fully implemented, as reported in IDB.12/7, are not included. Annex III shows the cost of implementing that programme and annex IV shows all contractual commitments, both as of 31 August 1994.

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Annex I

STATUS OF ACTION TAKEN ON OUTSTANDIN RECOMMENDATIONS OF TOUCHE ROSS MANAGEMENT CONSULTANTS [a/] AND OF ANDERSEN CONSULTING [b/]

OUTSTANDING RECOMMENDATIONS	CURRENT STATUS
1. There is a need for a systematic review of procedures within UNIDO. This review must come about from a management initiative and cannot be led by EDP. There is too much duplication of effort and too much reliance on paper-based methods. (8.1.2)	1. There is a continuous effort in the Secretariat to streamline its procedures with the primary focus on eliminating duplication of effort and reducing paper flow. In addition to the streamlining of procedures reported in IDB.12/7, a simplified procedure for travel planning, authorization and monitoring is being designed, to be supported by a computerized system. It is expected that its implementation will eliminate data redundancy, improve data quality and integrity and reduce manual intervention. As new changes materialize, a statement on the impact of such streamlining will be the subject of future updated reports.
2. The information technology steering group should identify and sanction any proposed changes to packages. (8.1.3)	2. No new software packages have been changed or introduced in 1994. However, any changes required will be presented to the information technology committees and implemented only if endorsed.
3. Extensive training of EDP will be required in the use of the new methods and tools. (8.1.3)	3. In preparation for the task of moving to a distributed computing environment, six staff members of Management Information Services (MIS) have received introductory training in local area networks. Further training in local area networks as well as hands-on practice for applications development in a client/server architecture are planned for the second half of 1994. In order to update existing staff skills in the application of new technologies, considerable training of MIS staff will be required in the 1994-1995 biennium and will continue in 1996-1997.
4. Further investment in current systems should be avoided. Maintenance of existing systems must be restricted to changes which are absolutely essential, even if this will undoubtedly lead to dissatisfaction in the user community. The commitment of management is vital to maintain the support and understanding of the user community during this difficult period. (8.1.3)	4. As reported in IDB.12/7, the staff reductions that took place in 1993 have had an impact on the capability of MIS to develop new applications in 1994. Consequently, reliance on existing systems will continue and essential maintenance tasks or necessary system enhancements will consume most of the existing resources devoted to applications development activities. It is expected that the work of the newly formed information technology committees will assist in striking a balance between the need to keep existing information systems running and adherence to this recommendation of the external consultants.

a/ References in the column "Primary recommendations" refer to sections of the final report of Touche Ross (GC.4/CRP.1).

b/ Strategic Automation Plan - Phase 2 Final Report, Vienna, 16 June 1992.

5. If FINSYS/PERSYS of FAO is put in place and modifications are needed, these should be contracted out, together with future maintenance, to a third party software house rather than build another skill set within UNIDO. (8.3.1)	5. As reported in IDB.12/7 and based on the recommendations of Andersen Consulting, the FAO system will not be considered any further. Instead, UNIDO will continue to rely on the Integrated Management Information System (IMIS) being developed by the United Nations in New York. As reported in PBC.10/13, UNIDO has signed an agreement with the International Atomic Energy Agency (IAEA) for the provision of facilities management and applications development support services. MIS will rely on the applications development support services provided by IAEA under that agreement, in order to free up a staff member to closely follow developments of IMIS and the implementation of the first components in Vienna in late 1994 and early 1995.
6. Better communications with the field need to be put in place. In the long-term, if and when it can be cost-justified, computer-based communications can be considered. (8.1.1)	6. UNIDO has become a node of Internet, the non-commercial global network which links together over 20 million users in more than 60 countries. It is envisaged that with Internet as a vehicle to improve communication and to promote access to industrial and technological information databases, communications with the field will be improved. However, major benefits can only result when, as recommended by the external consultants, it can be cost-justified to devote sufficient human resources to prepare documentation, as well as to train and assist the field offices and headquarters staff in the use of computer-based communications.
7. The cabling programme should be resumed with the wiring of six floors in 1992-1993 and the remainder in 1994-1995. Priority should be given to those floors with greatest needs. (8.3.2)	7. Two floors have been cabled in 1994 and two more are planned for 1995. This would complete wiring of all UNIDO floors except those dedicated to Languages and Documentation. Completion of the cabling programme will improve in-house electronic communication and will simplify redeployment of desktop equipment.
8. The acquisition of 90 PCs per biennium should go a long way towards satisfying UNIDO needs. (8.3.2)	8. As reported in IDB.12/7, the number of PCs to be acquired in 1994-1995 will be based on this recommendation. However, since hardware continuously reduces in cost it will also be possible to acquire additional sets to replace obsolete or very old and malfunctioning equipment.

Annex II

STATUS OF ACTION TAKEN ON OUTSTANDING
RECOMMENDATIONS OF THE EXTERNAL AUDITOR

PRIMARY RECOMMENDATIONS	CURRENT STATUS
1. A system should be established to spread all EDP non-staff costs among different user Departments. (GC.4/50, paras. 12, 45, 46)	1. Reported in IDB.12/7.
2. A disaster recovery plan should be worked out which should enable both UNIDO and IAEA to mutually provide a backup computer installation at no additional costs. (GC.4/50, paras. 16, 62-65)	2. As reported at a briefing provided to Permanent Missions to UNIDO on 4 May 1994, the agreement with IAEA contains a clause whereby it will be the responsibility of that Agency to provide disaster recovery support, including, in case of disaster, a backup location functionally equivalent to the hardware and software computer environment used by UNIDO.
3. A major objective should be intensive training of the existing EDP staff in the use of modern data-processing techniques and tools, and of the end-users regarding the relevant applications and software packages. (IDB.10/4, para. 178)	3. Status reported under recommendation number 3, annex I.
4. Standards should be established and complied with, throughout the Organization as a whole, regarding the use of software packages (i.e. word processing, database products, spreadsheets) thus enabling the transfer of any document without conversion problems and/or duplication of efforts. (IDB.10/4, para. 179)	4. As reported in IDB.12/7, the Information Technology Steering Committee endorsed standards regarding hardware and basic software and since then standards for minimum hardware configurations for future acquisition, as well as related software. With the new information technology committees in place, additional standards will be presented for endorsement and will be established in due course. This will cover, among others, such areas as procedures to facilitate the transfer of information between the mainframe and desktop equipment, software for local area networks and guidelines for development and documentation of PC-based applications.

Annex III

COST OF 1994-1995 BIENNIUM IMPLEMENTATION, AS AT 31 AUGUST 1994

(In US dollars at US$1 = AS 12.90)

	1994 allotments	Disbursements 01/01/94-31/08/94	Obligations	Expenditure (2 + 3)	Balance (1 - 4)
	(1)	(2)	(3)	(4)	(5)
Staff costs	2,056,600	1,282,532	6,146	1,288,678	767,922
Income	(133,800)	(96,968)	-	(96,968)	(36,832)
Mainframe					
Hardware	2,440,000	2,297,090	27,337	2,324,427	115,573
Software	171,000	165,852	4,835	170,687	313
Operation and maintenance	1,459,000	864,376	578,797	1,443,173	15,827
Office automation					
Hardware	240,000	92,092	15,075	107,167	132,833
Software	165,000	1,263	3,585	4,848	160,152
Maintenance	165,800	85,642	71,187	156,829	8,971
Other					
Supplies and materials	206,300	60,328	98,514	158,842	47,458
Network	305,000	94,511	38,387	132,898	172,102
External computer costs	30,000	2,964	26,687	29,651	349
Training	140,200	56,386	62,716	119,102	21,098
Travel/meetings	27,000	1,448	2,428	3,876	23,124
Consultancy support	58,200	-	13,500	13,500	44,700
Miscellaneous costs	5,000	2,313	-	2,313	2,687
Income	(197,800)	-	-	-	(197,800)
TOTAL	7,137,500	4,909,829	949,194	5,859,023	1,278,477

Notes:

1. Allotments represent the 1994 regular budget and operational budget appropriations, excluding reserves of $1,281,400.

2. Obligations include contractual commitments for 1994.

Annex IV

CONTRACTUAL COMMITMENTS, JANUARY - 31 AUGUST 1994

(In US dollars at US$1 = AS 12.90)

Contract number	Supplier	Description	Period	1994	1995	1996	1997	Total
94/267	Gammag	Maintenance of Wang VS system	01/01/94-31/03/94	15,504	-	-	-	15,504
94/268	Rank Xerox	EPIC & HFDL software maintenance	01/01/94-31/03/94	736	-	-	-	736
94/269	General Electric	Geisco Service	01/01/94-31/12/94	11,628	-	-	-	11,628
94/270	PTT	Rental line 2308197	01/01/94-31/12/94	194	-	-	-	194
94/271	PTT	Rental datex-P line	01/01/94-31/12/94	19,690	-	-	-	19,690
94/272	Radio Austria	Rental & usage - line 2329 11000607	01/01/94-31/12/94	2,326	-	-	-	2,326
94/273	Radio Austria	Rental of line 2329 11001734	01/01/94-31/12/94	1,163	-	-	-	1,163
94/274	Radio Austria	Rental of line 2329 11001850	01/01/94-31/12/94	155	-	-	-	155
		Olivetti PCs						
94/275	PTT	Rental of line 238348	02/01/94-31/12/94	388	-	-	-	388
94/276	PTT	Rental of line 2307584	01/01/94-31/12/94	12,403	-	-	-	12,403
94/277	PTT	Telerate line 243680	01/01/94-31/12/94	1,163	-	-	-	1,163
94/278	Rank Xerox	Maintenance printer X4090	01/01/94-31/12/94	31,395	-	-	-	31,395
94/279	Rank Xerox	Maintenance printer X4050	01/01/94-31/12/94	19,792	-	-	-	19,792
94/280	IAEA	Maintenance of LTCs	01/01/94-31/03/94	1,938	-	-	-	1,938
94/281	University of Vienna	EARN participation	01/01/94-31/12/94	7,442	-	-	-	7,442
94/282	Rank Xerox	Printing costs - printer X4090	01/01/94-31/12/94	33,371	-	-	-	33,371
Balance carried forward				159,288	-	-	-	159,288

Contract number	Supplier	Description	Period	1994	1995	1996	1997	Total
Balance brought forward				159,288	-	-	-	159,288
94/283	Share Europe	Membership fee 1994	01/01/94-31/12/94	1,426	-	-	-	1,426
94/284	SAS	SAS Base system and utilities	01/01/94-30/04/94	15,992	-	-	-	15,992
94/285	ICC	Computer usage	01/01/94-31/12/94	25,000	-	-	-	25,000
94/286	IBM	Software maintenance for Token Ring	01/01/94-31/03/94	3,833	-	-	-	3,833
94/287	IAEA	Computer usage	01/01/94-31/12/94	4,651	-	-	-	4,651
94/288	EDV Software	ADABAS maintenance	01/01/94-31/03/94	15,683	-	-	-	15,683
94/289	Computer Associates	CA-1 copycat software maintenance	01/01/94-31/03/94	814	-	-	-	814
94/290	APT	OLIVER software maintenance	01/01/94-31/03/94	1,720	-	-	-	1,720
94/291	EVN	SECURITREE software maintenance	01/01/94-31/03/94	1,395	-	-	-	1,395
94/292	Computer Associates	CA-LIBRARIAN software maintenance	01/01/94-31/03/94	6,100	-	-	-	6,100
94/293	Candle	OMEGAMON software maintenance	01/01/94-31/03/94	4,942	-	-	-	4,942
94/294	Management Data Wang	Leasing PCs plus buyout	01/01/94-28/02/94	17,688	-	-	-	17,688
94/298	Rank Xerox	Printing costs - printer X4050	01/01/94-31/12/94	25,619	-	-	-	25,619
94/299	IBM	Facilities Management	01/01/94-31/03/94	312,682	-	-	-	312,682
94/300	Rank Xerox	Maintenance and repair of peripherals	01/01/94-31/12/94	15,504	-	-	-	15,504
94/301	Telerate	Financial Market Information	01/01/94-31/12/94	10,078	-	-	-	10,078
94/302	IBM	Software licence	01/01/94-31/03/94	122,333	-	-	-	122,333
94/303	Gammag	Maintenance and repair of peripherals information	01/01/94-31/12/94	10,900	-	-	-	10,900
94/307	IBM	Mainframe lease	01/01/94-30/06/94	2,215,200	-	-	-	2,215,200
94/310	Compuware	ABEND-AID software maintenance	01/01/94-31/03/94	1,281	-	-	-	1,281
Balance carried forward				2,972,129	-	-	-	2,972,129

Annex IV (continued)

Contract number	Supplier	Description	Period	1994	1995	1996	1997	Total
Balance brought forward				2,972,129	-	-	-	2,972,129
94/311	Polst	Cabling floor D-22	1994	45,363	-	-	-	45,363
94/313	Radio Austria	Dial-up position for Treasury	01/01/94-31/12/94	1,363	-	-	-	1,363
94/315	IAEA	Facilities Management	01/04/94-31/12/97	1,025,293	1,443,612	1,524,455	1,609,824	5,603,184
94/320	IBM	Maintenance of mainframe	April 1994	19,101	-	-	-	19,101
94/329	Prager Consult	Computer-related training	1994 and 1995	119,000	119,000	-	-	238,000
94/339	IBM	Maintenance for Token Ring software	April 1994	1,278	-	-	-	1,278
94/340	IBM	Software licence	April 1994	40,778	-	-	-	40,778
94/307	IBM	Purchase of mainframe peripherals after end of lease period	June 1994	28,797	-	-	-	28,797
94/349	Data Transport Systems	Modification of UNIDO's PC-based budget system	01/09/94-30/09/94	5,500	-	-	-	5,500
94/356	I-Net Gmbh	Consultancy to set up SQL server	August 1994	8,000	-	-	-	8,000
94/359	Retailers Handels Gmbh	Maintenance and repair of bar code reader	1994	928	-	-	-	928
94/364	Gammag	Technician to re-install Extra for DOS in 600 PCs	September 1994	5,814	-	-	-	5,814
Total				4,273,344	1,562,612	1,524,455	1,609,824	8,970,235

Abbreviations

CPU - Central processing unit
LTC - Local terminal controller
PC - Personal computer